

§ 404.3

17 CFR Ch. IV (4-1-00 Edition)

Commission” mean any rule or regulation of the Secretary.

(2) For the purposes of this section, the term “non-resident government securities broker or dealer” means:

(i) In the case of an individual, one who resides in or has his principal place of business in any place not subject to the jurisdiction of the United States;

(ii) In the case of a corporation, one incorporated in or having its principal place of business in any place not subject to the jurisdiction of the United States; and

(iii) In the case of a partnership or other unincorporated organization or association, one having its principal place of business in any place not subject to the jurisdiction of the United States.

(d) *Effective date.* Paragraph (a) of this section shall be effective on October 31, 1987, *except that* registered government securities brokers and dealers are required to maintain the records specified in §240.17a-3(a) (12), (13), (14) and (15) beginning July 25, 1987.

(Approved by the Office of Management and Budget under control number 1535-0089)

[52 FR 27952, July 24, 1987, as amended at 60 FR 11026, Mar. 1, 1995; 60 FR 20399, Apr. 26, 1995]

§ 404.3 Records to be preserved by registered government securities brokers and dealers.

(a) Every registered government securities broker or dealer, except a government securities interdealer broker subject to the financial responsibility rules of §402.1(e) and a registered government securities broker or dealer that is also a futures commission merchant registered with the CFTC, shall comply with the requirements of §240.17a-4 of this title (SEC Rule 17a-4), with the following modifications:

(1) References to “broker or dealer” and “broker and dealer registered pursuant to Section 15 of the Act” include registered government securities brokers or dealers.

(2) References to §§240.17a-3, .17a-4, and .17a-5 mean such sections as modified by this part and part 405 of this chapter.

(3) References to §240.15c3-1, relating to net capital, and “Computation for

Net Capital” thereunder mean §402.2 of this chapter and the computation of the ratio of liquid capital to total haircuts required thereunder.

(4) References to §240.15c3-3, relating to possession or control of customer securities and balances, mean §403.4 of this chapter.

(5) References to Form X-17A-5 mean Form G-405 (§449.5 of this chapter).

(6) The computation described in §240.17a-4(b)(8)(x) is not required.

(b) A government securities interdealer broker subject to the financial responsibility rules of §402.1(e) and a registered government securities broker or dealer that is also a futures commission merchant registered with the CFTC, shall comply with the requirements of §240.17a-4 of this title (SEC Rule 17a-4), with the following modifications:

(1) References to “broker or dealer” and “broker and dealer” include registered government securities brokers or dealers.

(2) References to §§240.17a-3, 240.17a-4, and 240.17a-5 mean such sections as modified by this part and part 405 of this chapter.

(3) With respect to a government securities interdealer broker subject to the financial responsibility rules of §402.1(e) of this chapter, references to §240.15c3-1, relating to net capital, and “Computation for Net Capital” thereunder include the modifications contained in §402.1(e) of this chapter.

(4) References to §240.15c3-3, relating to possession or control of customer securities and balances, mean §403.4 of this chapter.

(c) This section shall be effective on July 25, 1987.

(Approved by the Office of Management and Budget under control number 1535-0089)

[52 FR 27952, July 24, 1987, as amended at 60 FR 11026, Mar. 1, 1995]

§ 404.4 Records to be made and preserved by government securities brokers and dealers that are financial institutions.

(a) *Records to be made and kept.* Every financial institution that is a government securities broker or dealer and that is not exempt from this part pursuant to part 401 of this chapter shall comply with the requirements of